



**MANAGEMENT'S DISCUSSION AND ANALYSIS
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025**

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GENERAL

The following Management Discussion and Analysis ("MD&A") of Sailfish Royalty Corp. ("Sailfish", or the "Company") has been prepared as of August 21, 2025. All dollar amounts are expressed in United States dollars unless otherwise stated. This MD&A should be read in conjunction with Sailfish's unaudited condensed interim consolidated financial statements and the notes thereto for the three and six months ended June 30, 2025 and 2024, as well as the audited annual consolidated financial statements as at December 31, 2024 and 2023. The unaudited condensed interim consolidated financial statements have been prepared in accordance with IAS 34 - Interim Financial Reporting. Additional information relating to the Company is available under the Company's profile on the SEDAR+ website at www.sedarplus.ca.

DESCRIPTION OF BUSINESS

Sailfish is a public company listed on the TSX Venture Exchange ("TSXV") under the symbol "FISH" following its listing on December 21, 2017. The Company also trades on the OTCQX Best Market under the symbol "SROYF". Sailfish was incorporated on February 27, 2014 under the BVI Business Companies Act, 2004 and is domiciled in the British Virgin Islands. The address of its registered and head office is Sea Meadow House, P.O. Box 116, Road Town, Tortola, British Virgin Islands, VG1110. Sailfish is primarily engaged in the acquisition of royalty and streaming agreements.

COMPANY HIGHLIGHTS AND ACCOMPLISHMENTS

For the six months ended June 30, 2025 (and including activity up to the date of this MD&A):

- Royalty revenue earned of \$626,603 and \$1,162,526 for the three and six months ended June 30, 2025 (\$167,844 and \$329,831 for the three and six months ended June 30, 2024).
- Gold ounces earned from stream interests of 8 and 26 for the three and six months ended June 30, 2025 (365 and 456 for the three and six months ended June 30, 2024).
- Silver ounces earned from stream interests of 1,672 for the three and six months ended June 30, 2025 (nil for the three and six months ended June 30, 2024).
- The Company received and sold 27,000 and 67,500 ounces of silver relating to the silver receivable for proceeds of \$904,546 and \$2,148,301 for the three and six months ended June 30, 2025 (40,500 and 92,567 ounces for proceeds of \$1,155,063 and \$2,375,834 for the three and six months ended June 30, 2024).
- Total revenues of \$713,178 and \$1,300,398 for the three and six months ended June 30, 2025 (\$1,026,242 and \$1,384,197 for the three and six months ended June 30, 2024).
- Gross profit of \$687,330 and \$1,249,818 for the three and six months ended June 30, 2025 (\$565,681 and \$813,768 for the three and six months ended June 30, 2024).
- Net income of \$185,318 and \$109,598 for the three and six months ended June 30, 2025 (net income of \$1,141,470 and \$1,289,505 for the three and six months ended June 30, 2024).
- The Company is pleased to report that it continues to purchase its common shares under the current Normal Course Issuer Bid and that 529,300 common shares were purchased during the six months ended June 30, 2025 (983,400 for the six months ended June 30, 2024).
- On August 11, 2025, the Company announced that the TSXV has accepted a notice filed by the Company of its intention to make a Normal Course Issuer Bid to be transacted through the facilities of the TSXV. The Company also announced the closing of the Transaction as described below in the Assets Held for Sale section of this MD&A.
- On July 16, 2025, the Company announced that on July 15, 2025, the United States Bureau of Land Management ("BLM") approved Solidus Resources, LLC's (the "Operator") Spring Valley Gold Mine Project ("Spring Valley") located in Pershing County, Nevada. The Operator is approved to construct, operate and maintain an open-pit gold mine, three waste rock facilities, and a heap leach facility. Spring Valley will employ a contractor workforce of approximately 130 employees during the initial two-year construction and approximately 250 full-time employees for the operations period. The total

life of the project would be 21 years, including two years of construction, 11 years of mining, three additional years of ore processing, and five years of reclamation and closure activities.

- On June 16, 2025, the Company announced that on June 12, 2025, the BLM issued the Final Environmental Impact Statement ("EIS") for Spring Valley located in Pershing County, Nevada.
- On May 27, 2025, the Company reported that Mako Mining Corp. ("Mako") reported initial results from its 2025 reverse circulation ("RC") drill program at the El Golfo area within the El Jicaro concession where Sailfish has a 2% net smelter return royalty. The 2025 exploration program at El Golfo comprises an initial 3,000 metres of RC drilling.
- On May 14, 2025, the Company reported that on May 13, 2025, the Operator announced the receipt of a Letter of Interest from the Export-Import Bank of the United States ("EXIM") regarding the potential financing of up to \$835 million for Spring Valley. The funding for Spring Valley is being considered under EXIM's Make More in America initiative and its China and Transformational Exports Program.
- On May 13, 2025, the Company declared a dividend of \$0.0125 per common share which was paid on July 15, 2025.
- On April 29, 2025, the Company announced that it successfully exercised its option to purchase all remaining silver production from Mako's San Albino mine and from concessions owned by Mako at March 1, 2023. Consideration paid to Mako for the exercise of the option was \$1 million.
- On February 25, 2025, the Company implemented a dividend reinvestment plan and declared a dividend of \$0.0125 per common share which was paid on April 15, 2025.
- On February 19, 2025, the Company reported that on February 18, 2025, the Operator announced the results of the Spring Valley feasibility study which was highlighted by an after-tax net present value 5% of \$1.5 billion with an after-tax internal rate of return of 36%.
- On February 18, 2025, the Company announced that on February 14, 2025, the Draft EIS was filed by the BLM to fulfill its obligation under the National Environmental Policy Act to address potential effects from the development of Spring Valley.

ROYALTY AND STREAM INTERESTS

The Company owns or owned the following royalties and other interests:

(i) San Albino (3%)

The Company holds a stream equivalent to a 3% Net Smelter Return ("NSR") on the original area of interest of the San Albino gold mine operated by Mako. The terms of the stream agreement provide the Company with the right to purchase 4% of all minerals produced from the San Albino gold mine within a specified area of interest for a purchase price equal to 25% of the value of the minerals acquired using the London p.m. gold price as determined by the LBMA on the delivery date of each shipment. Commercial production was achieved at the San Albino gold mine in July 2021.

(ii) El Compas (1.5%)

The Company holds a 1.5% NSR on El Compas, located in Zacatecas, Mexico, which is operated by Grupo ROSGO, S.A. de C.V. ("ROSGO") (previously operated by Endeavour Silver Corp. ("Endeavour") and sold to ROSGO on September 12, 2022). Commissioning of El Compas commenced in 2018 and commercial production was achieved in March 2019. Mining operations were suspended during 2021.

(iii) La Cigarra (1%)

The Company holds a 1% NSR on La Cigarra, located in Chihuahua, Mexico. Kootenay Silver Inc. is the current operator and the project is at the exploration stage.

(iv) Spring Valley Royalty (0.5% - 3.0%)

The Spring Valley Project is located in Pershing County, Nevada and is 100% owned and controlled by Waterton Global Resource Management. The Company acquired a portfolio of royalties on the Spring Valley Project as part of the acquisition of Terraco Gold Corp. The royalties in the portfolio acquired range from a 0.5% NSR royalty on a portion of the Spring Valley Project up to a 3.0% NSR sliding scale royalty on the main portion of the Spring Valley Project.

The parameters surrounding the 3% NSR sliding scale royalty are as follows:

<u>Gold Price (US\$ per oz)</u>	<u>Royalty %</u>
<\$300	0.84%
\$300-\$399	1.26%
\$400-\$499	1.74%
\$500-\$599	2.16%
\$600-\$699	2.58%
\$700+	3.00%

(v) San Albino Silver Stream

On April 29, 2025, the Company exercised its option to purchase all remaining silver production from Mako's San Albino mine and from concessions owned by Mako at March 1, 2023. Consideration paid to Mako for the exercise of the option was \$1 million.

The Company owns the following royalties and stream interests for which no value has been attributed:

(i) San Albino (2%)

The Company holds a 2% NSR on the district-scale land package surrounding the original area of interest of the San Albino project, which hosts multiple high-grade targets including Las Conchitas and El Golfo.

(ii) Moonlight Royalty (2%)

As part of the acquisition of TGC, Sailfish acquired a 2% NSR on the Moonlight exploration property (the "Moonlight Property"), located to the north of the Spring Valley Project.

The Moonlight Property is comprised of 95 parcels of private fee lands as well as 3 mineral leases of private fee lands and 3 leases of patented mining claims, plus 230 unpatented lode mining claims.

Impairments

While assessing whether any indications of impairments exist, consideration is given to both external and internal sources of information. As at June 30, 2025 and December 31, 2024 there were no indications of impairments on any of the above assets.

Revenue from Royalties and Streams:

	For the six months ended June 30, 2025	For the six months ended June 30, 2024
<i>Gold:</i>		
Mako Mining Corp. - San Albino Gold Stream	26	456
Total gold ounces sold	26	456
<i>Royalty revenue earned:</i>		
Mako Mining Corp. - San Albino Royalty	\$ 1,162,526	\$ 329,831
Total royalty revenue earned	\$ 1,162,526	\$ 329,831

	For the six months ended June 30, 2025	For the six months ended June 30, 2024
<i>Silver:</i>		
Mako Mining Corp. - San Albino Silver Stream	1,672	-
Total silver ounces sold	1,672	-

OTHER FINANCIAL ASSETS

Silver Receivable:

On May 24, 2023, the Company entered into a silver purchase agreement ("Silver Purchase Agreement") with Mako, whereby the Company paid \$6 million to acquire 13,500 ounces per month of refined silver for a 24-month term ("Payable Silver"). The Company also holds the exclusive right and option to purchase all additional refined silver produced from the San Albino mine or from concessions owned by Mako at the time of the transaction and processed through Mako's San Albino processing facility until production is no longer economically viable at the mutual agreement of Sailfish and Mako. Such right and option is exercisable after 12 months of the 24-month term of the Silver Purchase Agreement for \$1 million. Mako will provide the Payable Silver to Sailfish on the last business day of each calendar month.

Upon the occurrence of an event of default under the Silver Purchase Agreement, default interest shall accrue daily on the undelivered amount of Payable Silver from and including the date delivery was due to and excluding the date Sailfish receives the disputed Payable Silver to which it is entitled and shall be payable monthly in arrears. The default interest rate is the US prime rate plus 4% per annum.

Silver Receivable	June 30, 2025	December 31, 2024
Beginning of period/year	\$ 1,885,911	\$ 4,716,330
Additions	\$ -	-
Fair value adjustments to silver receivable	\$ 262,390	1,574,074
Silver payments received	\$ (2,148,301)	(4,404,493)
End of period/year	\$ -	\$ 1,885,911
Current portion of silver receivable	\$ -	\$ 1,885,911

The Silver Purchase Agreement is measured at FVTPL as the silver receivable is exposed to changes in silver price. During the six months ended June 30, 2025, the Company received and sold 67,500 ounces of silver (160,067 for the year ended December 31, 2024) for proceeds of \$2,148,301 (year ended December 31, 2024: \$4,404,493).

ASSETS HELD FOR SALE

Gavilanes Silver Property

On December 17, 2024, the Company entered into a share purchase agreement (the "AML Agreement") with AML pursuant to which the Company has agreed to sell to AML (the "Transaction") all of the issued and outstanding shares (the "Purchased Shares") of Swordfish. Swordfish, through Sailfish de Mexico S.A. de C.V., holds the Gavilanes property (the "Property"). In addition to the Transaction, AML paid a \$25,000 non-refundable fee to the Company.

Pursuant to the terms of the Agreement, as consideration for the acquisition of the Purchased Shares by AML, on the closing date, AML shall:

1. Make a cash payment to the Company in the amount of \$50,000;
2. Issue to the Company 16,800,000 fully paid ordinary shares in the capital of AML (each, an "AML Share");
3. Issue to the Company 33,600,000 performance rights (the "Performance Rights"), with such Performance Rights entitling the Company to the issuance of AML Shares upon satisfaction of the following milestones;

- a. 16,800,000 Performance Rights shall automatically convert, without payment of additional consideration, into 16,800,000 AML Shares upon AML achieving a 30 million oz resource at 300g/t silver equivalent or greater from the Property on or before the date that is five years following the closing date (the "Milestone Deadline"); and
- b. 16,800,000 Performance Rights shall automatically convert, without payment of additional consideration, into 16,800,000 AML Shares upon AML achieving a 60 million oz resource at 300g/t silver equivalent or greater from the Property on or before the date that is five years following the closing date; and

4. Grant to the Company a 2.0% net smelter return royalty in respect of all mineral production from the area within the boundaries of the Property.

In addition to the consideration outlined above, pursuant to the terms of the AML Agreement, on and from the closing date until the date which five years thereafter (the "Minimum Expenditure Period"), AML has agreed to incur a minimum of \$2,000,0000 in exploration expenditures on the Property (the "Minimum Expenditure Commitment") and, in the event that: (i) the Minimum Expenditure Commitment is not satisfied during the Minimum Expenditure Period; and (ii) no Performance Rights have vested as at such time, AML shall make an immediate cash payment of US\$500,000 to the Company.

The net loss from discontinued operations from the Gavilanes property, which include the results of operating activities for the three and six months ended June 30, 2025 and 2024, are as follows:

	June 30, 2025	June 30, 2024
General office and regulatory fees	\$ 39,594	\$ 57,657
Exploration fees	199,240	206,692
Foreign exchange loss	(1,108)	1,285
Net loss	\$ 237,726	\$ 265,634

As at June 30, 2025 and December 31, 2024, the assets and liabilities that are included in the held for sale categories are summarized below:

	June 30, 2025	December 31, 2024
	Gavilanes Property	Gavilanes Property
Assets classified as held-for-sale:		
Cash	\$ 15,354	\$ 6,660
Exploration and evaluation assets	649,163	619,313
	\$ 664,517	\$ 625,973
Liabilities classified as held-for-sale:		
Accounts payable and accrued liabilities	\$ 1,633	\$ 3,779

On August 11, 2025, the Company announced the closing of the Transaction.

SUMMARY OF ANNUAL RESULTS

The following table is derived from the audited consolidated financial statements of Sailfish for the years ended December 31, 2024, 2023 and 2022:

	December 31, 2024	December 31, 2023	December 31, 2022
Total assets	\$ 39,085,404	\$ 42,793,626	\$ 42,467,214
Total non-current liabilities	3,956,505	3,923,114	-
Total equity	33,768,164	37,421,512	41,281,294
Total revenue	2,839,933	2,333,092	2,646,301
Basic earnings (loss) per share	0.01	(0.02)	(0.02)
Diluted (loss) earnings per share	0.01	(0.02)	(0.02)
Net income (loss) before comprehensive income (loss)	550,033	(1,105,864)	(1,205,499)

SUMMARY OF QUARTERLY RESULTS

Sailfish's quarterly financial statements are prepared under IFRS Accounting Standards applicable to preparation of interim financial statements under IAS 34, Interim Reporting. The following table provides highlights from Sailfish's financial statements of quarterly results for the past eight quarters.

	June 30, 2025	March 31, 2025	December 31, 2024	September 30, 2024
Total sales	\$ 86,575	\$ 51,297	\$ 292,841	\$ 518,082
Total royalty revenue	626,603	535,923	432,871	211,942
Net income (loss) before comprehensive income (loss) for the quarter	185,318	(75,720)	(601,824)	(137,648)
Basic earnings (loss) per share	0.00	(0.00)	(0.01)	(0.00)
Diluted earnings (loss) per share	0.00	(0.00)	(0.01)	(0.00)

	June 30, 2024	March 31, 2024	December 31, 2023	September 30, 2023
Total sales	\$ 858,398	\$ 195,968	\$ 466,543	\$ 399,317
Total royalty revenue	167,844	161,987	246,445	14,661
Net income (loss) before comprehensive income (loss) for the quarter	1,141,470	148,034	204,956	(267,312)
Basic loss per share	0.02	0.00	0.00	(0.00)
Diluted loss per share	0.02	0.00	0.00	(0.00)

RESULTS OF OPERATIONS**For the six months ended June 30, 2025 and 2024:**

- Sailfish recorded net income of \$109,598 for the six months ended June 30, 2025 (\$0.00 basic income per common share) compared to a net income of \$1,289,505 (\$0.02 basic income per common share) for the six months ended June 30, 2024, a change of \$1,179,907, as explained in the following paragraphs:
- Sales for the six months ended June 30, 2025 were \$137,872 (comparative six months ended June 30, 2024 - \$1,054,366). The decrease in sales is due from 430 fewer ounces of gold offset by 1,672 more ounces of silver being sold during the period when compared to the prior period. The decreased in ounces received is due to Mako mining outside the original San Albino area of interest where the gold stream is applicable.
- Gross profit for the six months ended June 30, 2025 was \$1,249,818 (comparative six months ended June 30, 2024 - \$813,768). The increase in gross profit is due to the added royalty revenue earned during the period when compared to the prior period (as discussed below). There is no depletion associated with the royalty revenue.
- Royalty revenue for the six months ended June 30, 2025 was \$1,162,526 (comparative six months ended June 30, 2024 - \$329,831). The increase in royalty revenue is due to Mako mining outside the original San Albino area of interest. The Company holds a 2% NSR on the district-scale land package (~134.5 square kilometers) surrounding the original San Albino area of interest.
- Share based compensation for the six months ended June 30, 2025 was \$418,780 (comparative six months ended June 30, 2024 - \$86,727). The increase is due to the timing of vesting provisions and stock option grants.
- Fair value adjustment on silver receivable for the six months ended June 30, 2025 was \$262,390 (comparative six months ended June 30, 2024 - \$1,615,626). The adjustments in this account are due to the forward curve silver price projections as they relate to the Silver Purchase Agreement entered into with Mako on May 24, 2023, whereby the Company paid \$6 million to acquire 13,500 ounces per month of refined silver for a 24-month term.
- Interest expense for the six months ended June 30, 2025 was \$154,496 (comparative six months ended June 30, 2024 - \$219,048). The decrease is due to the accretion and interest expense on the convertible debentures which were converted to common shares during the current period.
- During the final quarter of 2024, the Company entered into a share purchase agreement with AML pursuant to which the Company has agreed to sell to AML all of the issued and outstanding shares of Swordfish; as a result, the Gavilanes property met the criteria to be classified as held for sale. In turn, any Gavilanes property related expenses were reclassified to discontinued operations (net loss of \$237,726) (comparative six months ended June 30, 2024 – net loss of \$265,634).

For the three months ended June 30, 2025 and 2024:

- Sailfish recorded a net income of \$185,318 for the three months ended June 30, 2025 (\$0.00 basic income per common share) compared to net income of \$1,141,470 (\$0.02 basic income per common share) for the three months ended June 30, 2024, a change of \$956,152, as explained in the following paragraphs:
- Sales of silver and gold for the three months ended June 30, 2025 were \$86,575 (comparative three months ended June 30, 2024 - \$858,398). The decrease in gold sales is due to Mako mining outside of the original San Albino area of interest (whereby the gold stream equivalent to a 3% NSR is applicable) resulting in sales of 8 ounces of gold with an average realized selling price of \$3,272 per ounce (comparative three months ended June 30, 2024 - sales of 91 ounces of gold with an average realized selling price of \$2,152 per ounce). The increase in silver sales is due to the Company exercising its option to purchase all remaining silver production from Mako's San Albino mine and from concessions owned by Mako at March 1, 2023. Consideration paid to Mako for the exercise of the option was \$1 million. This resulted in sales of 1,672 ounces of silver with an average realized selling price of \$36 per ounce (comparative three months ended June 30, 2024 - sales of nil ounces of silver).
- Royalty revenue for the three months ended June 30, 2025 was \$626,603 (comparative three months ended June 30, 2024 - \$167,844). The increase in royalty revenue is due to Mako mining outside the original San Albino area of interest. The Company holds a 2% NSR on the district-scale land package (~134.5 square kilometers) surrounding the original San Albino area of interest.
- Share based compensation for the three months ended June 30, 2025 was \$98,083 (comparative three months ended June 30, 2024 - \$27,390). The increase is due to the timing of vesting provisions and volume of stock options grants during the period.
- Fair value adjustment on the silver receivable for the three months ended June 30, 2025 was (\$6,255) (comparative three months ended June 30, 2024 - \$987,762). The fair value adjustments on the silver receivable are based on the discounted anticipated collection date of future silver deliveries and silver sales and changes to the forward curve silver price projections as they relate to the Silver Purchase Agreement entered into with Mako on May 24, 2023, whereby the Company paid \$6 million to acquire 13,500 ounces per month of refined silver for a 24-month term. The silver receivable is now fully repaid.
- During the final quarter of 2024, the Company entered into a share purchase agreement with AML pursuant to which the Company has agreed to sell to AML all of the issued and outstanding shares of Swordfish; as a result, the Gavilanes property met the criteria to be classified as held for sale. In turn, any Gavilanes property related expenses were reclassified to discontinued operations (net loss of \$51,890) (comparative three months ended June 30, 2024 – net loss of \$33,154).

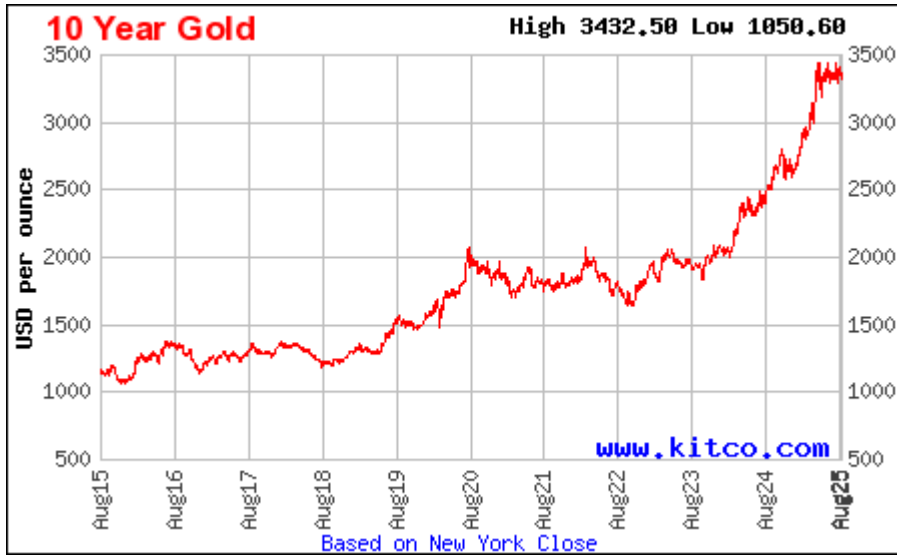
INDUSTRY TRENDS

The tables below outline the historical 1-year and 10-year gold and silver price movements per ounce.

Price of gold (1-year chart)



Price of gold (10-year chart)



Price of Silver (1-year chart)



Price of silver (10-year chart)**LIQUIDITY, CAPITAL RESOURCES AND GOING CONCERN**

The Company considers its capital under management to consist of cash and cash equivalents, royalty and stream interests, receivables, share capital, contributed surplus and due to/from related parties. The Company's objective when managing capital is to safeguard the Company's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders.

Historically, the Company has experienced operating losses (excluding the gain on sale of the TZ Royalty in 2021) and negative operating cash flows and anticipates that operating expenses will continue to exceed funds received from revenues for the next year. As at June 30, 2025, the Company's working capital totalled \$1,923,779 (December 31, 2024 - \$3,792,519).

A summary and discussion of Sailfish's cash inflows and outflows for the six months ended June 30, 2025 is as follows:

Operating Activities

Cash provided for operating activities during the six months ended June 30, 2025 was \$192,362 (comparative six months ended June 30, 2024 – used \$85,504). The addbacks to the net loss during the six months ended June 30, 2025 included interest expense of \$154,496 (comparative six months ended June 30, 2024 - \$219,048), depletion (including depletion in ending inventory) of \$31,178 (comparative six months ended June 30, 2024 - \$307,164), share-based compensation of \$418,780 (comparative six months ended June 30, 2024 – \$86,727) and an unrealized foreign exchange loss of \$30,337 (comparative six months ended June 30, 2024 – gain of \$5,541).

The deductions to the net loss during the six months ended June 30, 2025 included the fair value adjustment on silver receivable of \$262,390 (comparative six months ended June 30, 2024 - \$1,615,326), dividend income of \$2,191 (comparative six months ended June 30, 2024 - \$2,332) and interest income of \$15,092 (comparative six months ended June 30, 2024 - \$21,215).

Investing Activities

Sailfish royalty payments from related parties during the six months ended June 30, 2025 of (\$193,733) (received payments during the comparative six months ended June 30, 2024 - \$79,029), investment in royalty and stream interest of (\$1,000,000) (comparative six months ended June 30, 2024 - \$nil), received payments from a silver receivable of \$2,148,301 (comparative six months ended June 30, 2024 - \$2,375,834) and received interest of \$17,864 (comparative six months ended June 30, 2024 - \$21,884) and received dividends of \$2,191 (comparative six months ended June 30, 2024 - \$439).

Financing Activities

Sailfish made purchases of treasury shares during the six months ended June 30, 2025 of \$598,995 (comparative six months ended June 30, 2024 - \$870,327), transaction costs on shares bought back of \$2,022 (comparative six months ended June 30, 2024 - \$3,830) and received proceeds from stock options exercised of \$225,000 (comparative six months ended June 30, 2024 - \$246,626). Sailfish paid dividends in cash of \$1,254,935 (comparative six months ended June 30, 2024 - \$1,780,856).

OFF-BALANCE SHEET ARRANGEMENTS

Sailfish has no off-balance sheet arrangements.

KEY SOURCES OF ESTIMATION UNCERTAINTY AND CRITICAL ACCOUNTING JUDGEMENT

The preparation of these condensed interim consolidated financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgements about carrying values of assets and liabilities that are not readily apparent from other sources. Information about estimates, assumptions and other sources of estimation uncertainty as at June 30, 2025 that have a risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next year are provided below. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed at each period end. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Outlined below are the areas that require management to make judgements and significant estimates and assumptions:

i. **Assessment of Indicators of Impairment of Royalty and Stream Interests**

Assessment of impairment of royalty and stream interests requires the use of judgments when assessing whether there are any indicators of impairment at the end of each reporting period.

For interests in operating mines (operating interests) indicators of impairment may include significant changes in future commodity prices, discount rates, operator reserve and resource estimates or other relevant information received from the operators that indicates production from operating interests will not likely occur or may be significantly reduced in the future. For interests in non-operating mines (non-operating interests), indicators of impairment may include the period, during which the entity has the right to explore in the specific area, has expired during the year or will expire in the near future and is not expected to be renewed, substantive expenditure on further exploration for and evaluation of mineral resources in the specific area is neither budgeted nor planned, exploration for and evaluation of mineral resources in the specific area have not led to the discovery of commercially viable quantities of mineral resources and the operator has decided to discontinue such activities in the specific area, and sufficient data exists to indicate that the carrying amount of the underlying interest is unlikely to be recovered in full from successful development or by sale.

If there are indicators of impairment, management estimates the recoverable amount of the related interest in order to determine the extent of any impairment, if any. The recoverable amount is the higher of the fair value less costs of disposal and value in use. During the period ended June 30, 2025, management of the Company determined that there were no indicators of impairment for its royalty and stream interests.

ii. **Attributable Reserve and Resource Estimates**

The Company has significant royalty and stream interests which represents the capitalized expenditures related to the acquisition of royalty and stream interests, net of accumulated depletion and any impairments. The Company is required to estimate the amount of reserves and resources relating to each interest as the Company's royalty and stream interests are depleted on a units-of-production basis (once in operation), with estimated recoverable reserves and resources being used to determine the depletion rate for each of the Company's royalty and stream interests in certain instances such as impairment tests. Reserves and resources may also be used as a significant assumption for impairment assessments.

Reserves and resources are estimates of the amount of minerals that can be economically and legally extracted from the mining properties at which the Company has royalty and stream interests, adjusted where applicable to reflect the Company's percentage entitlement to minerals produced from such mines. Reserves and resources that are publicly released by the operators of the mining operations for which the Company has royalty and stream interests are based on information compiled by appropriately qualified persons relating to the geological data on the size, depth and shape of the ore body, and requires complex geological assessments to interpret the data. The estimation of recoverable mineral reserves and resources is based upon factors such as estimates of foreign exchange rates, commodity prices, future capital requirements, metallurgical recoveries, permitting and production costs along with geological assumptions made in estimating the size, and grade of the ore body.

Changes in the mineral reserve or mineral resource estimates may impact the carrying value of the Company's royalty and stream interests as well as the depletion rate for each of the Company's royalty and stream interests.

iii. Fair Value of Silver Receivable

The carrying value of the silver receivable represents management's best estimate of the fair value of the arrangement. The fair value incorporates estimates of forward silver prices and discount rates. Refer to Note 5 in the unaudited condensed interim financial statements

TRANSACTIONS WITH RELATED PARTIES

Related party transactions have been measured at the exchange amount of consideration agreed between the related parties. Related party transactions are listed below:

(a) Key management compensation

Key management includes directors and senior management. For the six months ended June 30, 2025 and 2024 the compensation was as follows:

- (i) During the six months ended June 30, 2025, the Company incurred director fees of \$33,000 (June 30, 2024 - \$33,000). Included in accounts payable is director fees of \$5,500 (December 31, 2024 - \$13,750).
- (ii) During the six months ended June 30, 2025, the Company incurred senior management fees of \$196,907 (June 30, 2024 - \$205,001). During the six months ended June 30, 2025, the Company incurred share-based compensation to key management of \$403,646 (June 30, 2024 - \$84,360).

(b) Related party transactions

- (i) At June 30, 2025 and December 31, 2024, due from related parties was comprised of the following balances:

	June 30, 2025	December 31, 2024
Due from Nicoz Resources S.A.	\$ 626,603	\$ 432,870
Total due from related parties	\$ 626,603	\$ 432,870

- (ii) During the six months ended June 30, 2025, the Company incurred rent of \$18,118 which is included in general office and regulatory fees (June 30, 2024 - \$9,600) to a company related to one of the directors for office space for which there is no long-term commitment.
- (iii) At June 30, 2025 and December 31, 2024, due to related parties was comprised of the following balances:

	June 30, 2025	December 31, 2024
Fees payable to a director and officer	\$ -	\$ 225,000
Fees payable to a director	5,500	13,750
Nicoz Resources S.A.	6,587	69,698
Total due to related parties	\$ 12,087	\$ 308,448

- (iv) During the six months ended June 30, 2025, the Company incurred stream payments (Note 4(i and v)) to Nicoz Resources S.A., a subsidiary of Mako, a company related by common shareholders, officers and directors of \$82,513 (June 30, 2024 - \$384,136), of which \$6,587 (December 31, 2024 - \$69,968) is included in due to related parties and \$626,603 (December 31, 2024 - \$432,872) is included in due from related parties at June 30, 2025.
- (v) During the six months ended June 30, 2025, the Company received and sold 67,500 ounces of silver (June 30, 2024 - 92,567) for proceeds of \$2,148,301 (June 30, 2024 - \$2,375,834).

FINANCIAL INSTRUMENTS

(a) Overview

The Company has exposure to credit risk, liquidity risk and market risk from its use of financial instruments. This note presents information about the Company's exposure to each of these risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

(b) Fair Value of Financial Instruments

IFRS 9 requires financial assets to be classified into three measurement categories on initial recognition: fair value through profit and loss ("FVTPL"), fair value through other comprehensive income ("FVOCI") and amortized cost. Investments in equity instruments are required to be measured by default at FVTPL (but there is an irrevocable option for each equity instrument to present fair value changes in other comprehensive income). Measurement and classification of financial assets is dependent on the entity's business model for managing the financial assets and the contractual cash flow characteristics of the financial asset.

The carrying values of the Company's financial instruments are classified into the following categories:

Financial Instrument	Category	June 30, 2025	December 31, 2024
Cash	Amortized cost	\$ 1,678,162	\$ 2,150,823
Accounts receivable	Amortized cost	11,622	16,036
Due from related parties	Amortized cost	626,603	432,870
Silver receivable	FVTPL	-	1,885,911
Accounts payable and accrued liabilities	Amortized cost	(163,676)	(121,830)
Dividends payable	Amortized cost	(938,704)	(883,431)
Due to related parties	Amortized cost	(12,087)	(308,448)
Convertible debentures	Amortized cost	-	(3,956,505)
Convertible debentures interest payable	Amortized cost	-	(43,247)

Financial instruments must be classified at one of three levels within a fair value hierarchy according to the relative reliability of the inputs used to estimate their values. The three levels of the hierarchy are as follows:

- Level 1: Quoted prices are available in active markets for identical assets or liabilities as of the reporting date. Active markets are those in which transactions occur in sufficient frequency and value to provide pricing information on an ongoing basis.
- Level 2: Pricing inputs are other than quoted prices in active markets included in Level 1. Prices in Level 2 are either

directly or indirectly observable as of the reporting date. Level 2 valuations are based on inputs including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace.

- Level 3: Valuations in this level are those with inputs for the asset or liability that are not based on observable market data.

The fair value of all financial instruments not recorded at fair value approximates their carrying value due to either their short-term maturity and/or capacity of prompt liquidation.

The Company does not have any financial instruments that are measured using level 1, 2 or level 3 inputs, other than its silver receivable, which is measured at Level 2.

(c) Credit Risk

Credit risk is the risk of potential loss to the Company if a customer or third party to a financial instrument fails to meet its contractual obligations. The Company's credit risk is primarily attributable to cash held in bank accounts, accounts receivable, due from related parties and its loan silver receivable. The carrying amount of financial assets recorded in the consolidated financial statements represents the Company's exposure to credit risk.

The Company limits its exposure to credit risk on liquid financial assets through investing its cash and cash equivalents with high-credit quality financial institutions and by closely monitoring its accounts receivable and silver receivable.

(d) Liquidity Risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company manages liquidity risk by forecasting cash flows from operations, anticipated investing and financing activities and through the management of its capital structure. Accounts payable and accrued liabilities, dividends payable and due to related parties amounts of \$1,116,100 (December 31, 2024 - \$1,360,735) are due within 12 months.

(e) Market Risk

(i) Foreign Currency Risk

Foreign exchange risk is the risk arising from changes in foreign currency fluctuations. The Company's operations and royalty and stream agreements are conducted primarily in US dollars. As a result, the Company is not significantly exposed to fluctuation in exchange rates and foreign currency risk.

At June 30, 2025 and December 31, 2024, the Company's exposure to foreign currency risk is as follows:

	June 30, 2025	December 31, 2024
Cash (C)	\$ 120,464	\$ 43,153
Cash (MXN)	15,354	6,660
Accounts payable and accrued liabilities (C)	137,228	118,018
Dividends payable (C)	811,037	-

Had the Canadian Dollar and Mexican Peso foreign exchange rate strengthened against the United States dollar by 1%, with all other variables remaining constant, the change in net income would have been insignificant. A weakening of 1% in the Canadian Dollar and Mexican Peso against the United States dollar, with all other variables held constant, would have had an equal but opposite effect.

(ii) Interest Rate Risk

The interest rate risk refers to the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As at June 30, 2025 the Company has minimal exposure to interest rate risk other than as outlined in Note 3iii in the unaudited condensed interim consolidated financial statements.

(iii) Commodity price risk

Commodity price risk is the risk that the fair value of financial assets and financial liabilities or expected future cash flows will fluctuate as a result of changes in commodity prices. Commodity prices for minerals are impacted by world economic events that dictate the levels of supply and demand as well as the relationship between the Canadian and United States Dollars, as outlined above. As at June 30, 2025, the Company has exposure to commodity price risk through its royalties and streams and silver receivable. See Note 3iii in the unaudited condensed interim consolidated financial statements.

CRITICAL ACCOUNTING POLICIES

Sailfish's material accounting policies are described in Note 2 in the audited consolidated financial statements for the year ended December 31, 2024 and 2023.

OUTSTANDING SHARE DATA

As at the date of this MD&A, Sailfish had the following common shares and options issued and outstanding:

- 75,438,792 issued shares
- 4,830,670 options outstanding

Additional information on the stock options is explained in Note 7 in the unaudited condensed interim consolidated financial statements for the three and six months ended June 30, 2025 and 2024.

CAUTIONARY STATEMENT ON FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking statements or forward-looking information within the meaning of applicable securities laws concerning Sailfish's beliefs and plans, including but not limited to statements with respect to the availability of financial resources; capital, operating and cash flow estimates; and other matters. These statements relate to analyses and other information that are based on forecasts of future results, estimates of amounts not yet determinable and assumptions of management.

Any statements that express or involve discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, intentions or future events or performance are not statements of historical fact and may be "forward-looking statements".

Forward-looking statements are subject to a variety of known and unknown risks, uncertainties and other factors which could cause actual events or results to differ from those expressed or implied by the forward-looking statements, including but not limited to those referred to in this MD&A under the heading "Risks and Uncertainties" and elsewhere in this MD&A.

Sailfish's forward-looking statements are based on the beliefs, expectations and opinions of management on the date the statements are made and should not be relied on as representing Sailfish's views on any subsequent date. Sailfish specifically disclaims any intention or any obligation to update forward-looking statements if circumstances or management's beliefs, expectations or opinions should change, except as required by applicable law. For the reasons set forth above, investors should not place undue reliance on forward-looking statements.

RISKS AND UNCERTAINTIES

Negative operating cash flow

Historically, Sailfish has negative operating cash flow from operations. To the extent that Sailfish has negative cash flow in future periods, Sailfish may need to enter into additional loan agreements and/or issue additional equity to fund such negative cash flow.

Financial resources

Sailfish has limited financial resources and there is no assurance that sufficient additional funding will be available to fulfill its obligations or for further royalty acquisitions, on acceptable terms or at all. Failure to obtain additional funding on a timely basis could result in delay or indefinite postponement of further royalty acquisitions and could cause Sailfish to forfeit its interests in some or all of its properties or to reduce or terminate its operations.

Operating Hazards and Risks

Mining operations involve many risks which even a combination of experience, knowledge and careful evaluation may not be able to overcome. In the course of exploration, development and production of mineral properties, certain risks, and in particular unexpected or unusual geological operating conditions including rock bursts, cave-ins, fires, flooding and earthquakes, may occur. Operations in which the Company has a direct or indirect interest are subject to all the hazards and risks normally incidental to exploration, development and production of mineral deposits, any of which could result in damage to or destruction of mines and other producing facilities, damage to life and property, environmental damage and possible legal liability for any or all damage.

Although the Company maintains liability insurance in an amount which it considers adequate, the nature of these risks is such that liabilities could exceed policy limits, in which event the Company could incur significant costs that could have a materially adverse effect upon its financial conditions.

Metal Prices

The mining industry, in general, is intensely competitive and there is no assurance that a profitable market will exist for the sale of metals produced, even if commercial quantities of precious and/or base metals are discovered. Factors beyond the control of the Company may affect the marketability of metals discovered. Pricing is affected by numerous factors beyond the Company's control, such as international economic and political trends, global or regional consumption and demand patterns, increased production and smelter availability. There is no assurance that the price of metals recovered from any mineral deposit will be such that it can be mined at a profit.

Title Risks

Although the Company has exercised the usual due diligence with respect to determining title to properties in which it has a material interest, there is no guarantee that title to such properties will not be challenged or impugned. The Company's mineral property interests may be subject to prior unregistered agreements, transfers or native claims, and title may be affected by undetected defects.

Environmental Regulations Permits and Licenses

The Company's operations are subject to various laws and regulations governing the protection of the environment, exploration, development, production, taxes, labour standards, occupational health, waste disposal, safety and other matters. Environmental legislation in Mexico provide restrictions and prohibitions on spills, releases or emissions of various substances produced in association with certain mining industry operations, such as seepage from tailing disposal areas, which would result in environmental pollution. A breach of such legislation may result in the imposition of fines and penalties. Environmental legislation is evolving in a direction of stricter standards and enforcement, and higher fines and penalties for non-compliance. Environmental assessments of proposed projects carry a heightened degree of responsibility for companies and their directors, officers and employees. The cost of compliance with changes in governmental regulations has the potential to reduce the profitability of operations. The Company intends to fully comply with all environmental regulations.

The current operations of the Company require permits from various Mexican authorities and such operations are governed by laws and regulations governing prospecting, development, mining, production, exports, taxes, labour standards, occupational health, waste disposal, toxic substances, land use, environmental, mine safety and other matters.

The Company believes that it is in compliance with all material laws and regulations which currently apply to its activities. However, there can be no assurance that all permits which the Company may require for its operations and exploration activities will be obtainable on reasonable terms, a timely basis or that such laws and regulations would not have an adverse effect on any mining project which the Company might undertake.

Royalties and stream interests in foreign countries

Sailfish's royalties, streams and other interest may be affected in varying degrees by political stability and government regulations relating to the mining industry and foreign investors therein. There is no assurance that the political and investment climate of foreign countries will continue to be favorable. Any changes in regulations or shifts in political conditions are beyond the control of Sailfish and may adversely affect its business. Operations may be affected in varying degrees by government regulations with respect to restrictions on production, price controls, export controls, income taxes, expropriation of property, environmental legislation and mine safety.

Risks related to conducting business in emerging markets

Sailfish's royalty and streaming activities, and the activities undertaken by companies from which Sailfish may acquire a royalty, stream or interest, may be in international locations that display characteristics of emerging markets. Conducting business in these countries may be subject to a variety of risks including, but not limited to: currency fluctuations, devaluations and exchange

controls; inflation; uncertain political and economic conditions resulting in unfavorable government actions such as unfavorable legislation or regulation, trade restrictions, unfavorable tax enforcement or adverse tax policies; the denial of contract rights; potential sanctions implemented as a result of the United States Executive Order 13851 dated October 24, 2022 and social unrest, acts of terrorism or armed conflict. Management is unable to predict the extent or duration of these risks or quantify their potential impact.

Potential profitability depends upon factors beyond the control of Sailfish

The potential profitability of royalty and streaming activities is dependent upon many factors beyond Sailfish's control. For instance, world prices of and markets for gold and silver are unpredictable, volatile, potentially subject to governmental fixing, pegging and/or controls and respond to changes in domestic, international, political, social and economic environments. Another factor is that rates of recovery of mined material may vary from the rate experienced in tests and a reduction in the recovery rate will adversely affect profitability and, possibly, the economic viability of a property. Production will fluctuate in ways Sailfish cannot predict and are beyond Sailfish's control, and such fluctuations will impact on profitability and may eliminate profitability altogether. Additionally, due to worldwide economic uncertainty, the availability and cost of funds for development and other costs have become increasingly difficult, if not impossible, to project. These changes and events may materially affect the financial performance of Sailfish.

Repatriation of earnings

There is no assurance that any countries in which Sailfish operates or may operate in the future will not impose restrictions or taxes on the repatriation of earnings to foreign entities.

Currency fluctuations; foreign exchange

The operations of Sailfish in the countries where it operates are subject to currency fluctuations and such fluctuations may materially affect the financial position and results of Sailfish. Sailfish is subject to the risks associated with the fluctuation of the rate of exchange of the U.S. dollar and foreign currencies, in particular the Canadian dollar and the Mexican peso. Sailfish does not currently take any steps to hedge against currency fluctuations although it may elect to hedge against the risk of currency fluctuations in the future. There can be no assurance that steps taken by Sailfish to address foreign currency fluctuations will eliminate all adverse effects and, accordingly, Sailfish may suffer losses due to adverse foreign currency fluctuations.

Sailfish may be subject from time to time to foreign exchange controls in countries outside of the United States although no such controls are currently known to Sailfish.

Price volatility and lack of active market

In recent years, the securities markets in Canada and elsewhere have experienced a high level of price and volume volatility, and the market prices of securities of many public companies have experienced significant fluctuations in price which have not necessarily been related to their operating performance, underlying asset values or prospects of such companies. Any quoted market for Sailfish's securities will likely be subject to such market trends and the value of Sailfish's securities may be affected accordingly.

Key executives

Sailfish is dependent on the services of key executives and a small number of highly skilled and experienced consultants and personnel, whose contributions to the immediate future operations of Sailfish are likely to be of importance. Locating royalty streaming agreements depends on a number of factors, not the least of which is the technical skill of the personnel involved. Due to the relatively small size of Sailfish, the loss of these persons or Sailfish's inability to attract and retain additional highly skilled employees or consultants may adversely affect its business and future operations. Sailfish does not currently carry any key man life insurance on any of its executives. The directors and officers of Sailfish will only devote part of their time to the affairs of Sailfish.

Competition

The mineral royalty and streaming agreement business is competitive in all of its phases. Sailfish competes with numerous other companies and individuals, including competitors with greater financial, technical and other resources, in the search for and the acquisition of royalty and streaming agreements. Sailfish's ability to acquire royalty and streaming agreements in the future will depend not only on its ability to develop its present royalty and streaming agreements, but also on its ability to select and acquire suitable prospects. There is no assurance that Sailfish will be able to compete successfully with others in acquiring such prospects.

Potential conflicts of interest

Certain directors and officers of Sailfish are, and may continue to be, involved in the royalty and streaming agreements industry through their direct and indirect participation in corporations, partnerships or joint ventures which are potential competitors of Sailfish. Situations may arise in connection with potential acquisitions in investments where the other interests of these directors

and officers may conflict with the interests of Sailfish and the Sailfish's interests may be adversely affected.

Dilution

Issuances of additional securities under future financings will result in dilution of the equity interests of persons who are currently Shareholders or who become Shareholders of Sailfish.

Nature of the securities

The purchase of Sailfish's securities involves a high degree of risk and should be undertaken only by investors whose financial resources are sufficient to enable them to assume such risks. Sailfish's securities should not be purchased by persons who cannot afford to lose their entire investment.

CORPORATE GOVERNANCE

Management of the Company is responsible for the preparation and presentation of the condensed interim and annual consolidated financial statements and notes thereto, MD&A and other information contained in this MD&A. Additionally, it is management's responsibility to ensure the Company complies with the laws and regulations applicable to its activities.

The Company's management is held accountable to the board of directors ("Directors"), each member of which is elected annually by the shareholders of the Company. The Directors are responsible for reviewing and approving the audited consolidated annual financial statements and MD&A. Responsibility for the review and approval of the Company's annual consolidated financial statements and MD&A is delegated by the Directors to the Audit Committee, which is comprised of 3 directors, 2 of whom are independent of management. Additionally, the Audit Committee pre-approves audit and non-audit services provided by the Company's auditors.

The external auditors are appointed annually by the shareholders to conduct an annual audit of the financial statements in accordance with Canadian Auditing Standards. The external auditors have complete access to the Audit Committee to discuss the audit, financial reporting and related matters resulting from the annual audit, as well as assist the members of the Audit Committee in discharging its corporate governance responsibilities.

EVENTS AFTER THE REPORTING PERIOD

Subsequent to June 30, 2025, the Company paid a dividend of \$0.0125 per common share. The total dividend payment resulted in the issuance of 360,419 common shares under the Company's dividend reinvestment plan and a payment of \$309,959.

Subsequent to June 30, 2025, the Company purchased 101,800 common shares on-market which have been cancelled.

On August 11, 2025, the Company announced the closing of the Transaction regarding the Gavilanes Silver Property.

OTHER INFORMATION

Additional information relating to the Company is available for viewing on SEDAR+ at www.sedarplus.ca and at the Company's web site www.sailfishroyalty.com.

Approved by the audit committee and board of directors for issue on August 21, 2025.